

## SPECIAL MEETING

JULY 25, 2012

The Special Meeting of the Council of the County of Kaua'i was called to order by the Council Chair at the Council Chambers, 4396 Rice Street, Suite 201, Līhu'e, Kaua'i, on Wednesday, July 25, 2012 at 8:36 a.m., after which the following members answered the call of the roll:

Honorable Tim Bynum  
Honorable Dickie Chang  
Honorable KipuKai Kuali'i  
Honorable Nadine K. Nakamura  
Honorable Mel Rapozo  
Honorable JoAnn A. Yukimura  
Honorable Jay Furfaro, Council Chair

### APPROVAL OF AGENDA

Mr. Rapozo moved to approve the agenda as circulated, seconded by Mr. Chang, and unanimously carried.

### INTERVIEW:

#### **SALARY COMMISSION:**

**Jo Ann Shimamoto – Term ending 12/13/12**

Chair Furfaro: Good morning, Jo Ann.

Ms. Shimamoto: Good morning.

Chair Furfaro: Jo Ann, I am going to ask you to go ahead and introduce yourself for the members. This is for a vacancy on the Salary Commission and I will open the floor up to them for some questions. They do have your application with them as well.

Ms. Shimamoto: Good morning, I am Jo Shimamoto.

Mr. Bynum: Thank you very much for stepping up and being willing to serve as a board member and thank you for your years of dedicated service to our County agency and now retired.

Ms. Shimamoto: Yes.

Mr. Bynum: I think you are an outstanding candidate and I do not have any questions.

Ms. Shimamoto: Thank you.

Ms. Yukimura: We were really sad to see you leave Housing, so it is very nice to have you step back in a more specific role as a citizen volunteer. Thank you for that. I just wondered if you have been able to watch any of the proceedings of the Salary Commission?

Ms. Shimamoto: I have to say "no," I have not watched... maybe a few of the Council Meetings...

Ms. Yukimura: Well we do not begrudge you that you want to be retired in actuality. What makes you interested in this job?

Ms. Shimamoto: I was asked to consider and I think it is a way of doing community service. When I learned about the Salary Commission and what their purpose is, I thought that would be something that would be interesting to me.

Ms. Yukimura: It is a really important job because we need to have proper compensation to attract the qualities and capabilities of Department Heads that we need. Well qualified Department Heads are so important it affects everybody, and you being in the County – having been in the County would understand that. And yet proper relationship from the Department Heads to those under them too, is important. It is a balancing act but what I am glad is that we have seen from your work in Housing sort of a really meticulous attention and doing your homework and I am very thankful that you stepped forward. I really look forward to you participating with a very dedicated group.

Mr. Rapozo: Thank you, Jo, for willing to serve. I just had a question on your years of service with the County. For some reason, I am thinking you were there for a long time.

Ms. Shimamoto: Yes.

Mr. Rapozo: But on your application it does not show when you started.

Ms. Shimamoto: I was with the County for fifteen (15) years and I retired with forty (40) years of government service.

Mr. Rapozo: Okay. I just wanted to make sure I was clear on that. I know you were here as long as I been on the Council and I just wanted to...

Ms. Shimamoto: Yes, very young we are.

Mr. Rapozo: And you have served at the Housing Department quite well. I think we all agree that we had a big loss when you left and so it will be nice to see you in some capacity with the County. I obviously will be supporting your appointment and thank you again.

Mr. Chang: First of all, I want to apologize, I did not know you retired but what a big loss it is. Secondly, I really do not have any questions but I wanted to comment because in your... "please indicate why you are interested in serving and what do you understand the primary duties of this appointment," I like your last line, it says "I am interested because I think it would be interesting." It is going to be extremely interesting.

Ms. Shimamoto: Yes.

Mr. Chang: You have any idea of what is going to be interesting to you or are you just going with the flow and figure it out?

Ms. Shimamoto: My understanding is that the purpose of the Salary Commission is to make a recommendation as to the cap for the Department Heads and the Deputies. I think I would find it interesting to get the information as comparables across maybe the State and some other areas and to see how "we," the County of Kaua'i compares to those.

Mr. Chang: We want to just thank you for coming out of retirement and volunteering and giving back to the community. We just wanted to say thank you and congratulations.

Mr. Kualii: Aloha and mahalo. Thank you for being here today and thank you for stepping up and being willing to serve on our Salary Commission. I did have the pleasure of working with you some when I was working with the Anahola Association and the CDBG grant and I know what a thorough and competent person you are and I am glad that even in retirement you are willing to serve the County further. I had one (1) quick question and maybe you have not really seen it yet and I barely seen it myself because I saw an article in the paper about the Charter Commission having approved seven (7) of the nine (9) Charter amendments to go on the ballot. I believe a couple of them had something to do with the Salary Commission, I am just wondering if you had seen it and if you have any thoughts or ideas?

Ms. Shimamoto: No, I have not seen it yet.

Mr. Kualii'i: Thank you again for your service.

Ms. Nakamura: Good to see you. Thank you for considering this. I just wanted to share with you because there has been a lot of discussion regarding the Salary Commission on this Council floor. Some of the issues include the inversion of pay that some of the staff (inaudible) employees get paid more than the Deputies and the Chief, and the Heads of the Department – one of the issues that we really want the Salary Commission to take a real close look at to see... made some adjustments with some of the Departments but not all. I think it is important that we address this issue going forward. The other one is comparable pay raises – a lot of times we look at other Counties to see where the pay, what is the pay for similar positions in higher positions of government. That would be another issue we want you to really take a close look at... what is comparable to Maui and the Big Island. If Honolulu gets paid more, should we be taking the same level or because we are a smaller County, should we be paying a little less. And then there is the balance of this is public service and even around this table we realize that we make sacrifices too to serve the public. Finally, the issue of when we receive the Salary Commission's recommendation and the timeframe which has been an issue. The Charter says that we shall receive it on March 15 so that it can... the pay raises can be appropriated into the budget. When we get the recommendation after the budget has been approved then adjustments have to be made. What we encourage the Salary Commission to do is to get the recommendation to us before March 15 so that the recommendation can be given way ahead to the Mayor and be incorporated into the budget proposal. (inaudible) I really believe that your recommendation needs to be done by the end of the year that way it is clear – the process is clear. I just want to recommend going into this that those are some of the issues and we hope that the leadership of the Salary Commission works towards these issues.

Ms. Yukimura: I just wanted to let you know that the Salary Commission sets not just Department Heads and Deputies but actually sets Council salaries too, prospectively though, not for the existing Council but for the next. I think that was one of the Charter amendments but that is not the main issue, the main issue is that you will go through a process of salary setting. I would also was really glad to hear you talk about comparables because some of the recommendations have been very well documented with comparables and some have not. I really want to urge you to get that kind of documentation, it helps us a lot more in our decision making.

Ms. Shimamoto: We will keep that in mind.

Chair Furfaro: Jo Ann, first of all, thank you for your years of service. I have been on the Council for ten (10) years and you have been a big part

of Housing during the time that I have been on the Council and I personally want to thank you for that service. I also know that during the time that you worked in the Housing Department, you dealt with a lot of the grant writing. I know a lot of our positions are positions that are funded through federal grants and so forth. Were you in positions as grant writer to evaluate the salary grades that maybe the feds have recommended for some of these positions that they funded for us or was it pretty much just directed to us at the federal government level, what those positions could be paid?

Ms. Shimamoto: The grant that I managed, the CDBG grant, did not have any salaries in there.

Chair Furfaro: I think Vice Chair Yukimura made a point too about the competitive values of certain positions. I am thirty-eight (38) years in the hotel industry and we grade, for example, a general manager for hotels of three hundred and fifty rooms or less, three fifty-one to twelve hundred, twelve hundred to eighteen hundred rooms like the Sheraton Kaua'i, the titles change from hotel manager to general manager to managing director. As the scopes get larger and more interaction, obviously you are taking on more responsibility and that is how we should measure these positions. I think it is very difficult to say that City and County of Honolulu at a million people have the same level of pay grade for certain Division Heads but also please look at those positions having subcategories and multiple deputies and so on which relieves some of that responsibility. It would be very good to do a comprehensive profile of the four (4) Counties just as an activity. For example, we get information progressively, we are going to have an item late today on our Council agenda which is our contributions on retirement benefits and so forth but that date comes to us three (3) times in a year. First it comes to us in March, so we have to assume that is our liability, then it gets revised in May, rather it goes up or down, we have a second look at the budget. Then we get the final look from the actuary in July which we will be talking about today because we have some adjustments to make. We need to be timely and I think Councilmember Nakamura pointed that out. We need good information in March and we would strongly recommend that you encourage this work and evaluations to be done so we get it in a timely fashion. I certainly want to thank you for your past work and we will be voting later on in the Council Meeting for your appointment but I certainly will be supporting you coming in this role to assist us.

Ms. Shimamoto: Thank you.

Chair Furfaro: On that note, have a good afternoon and our office will be contacting you later when we do vote on your appointment. Jo, you do know that this is a partial term?

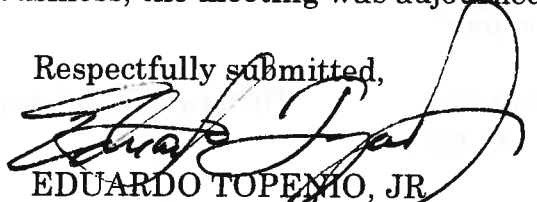
Ms. Shimamoto: Yes.

Chair Furfaro: Very good. Members, any further discussion before I adjourn?

ADJOURNMENT.

There being no further business, the meeting was adjourned at 8:52 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Eduardo Topenio, Jr.', is written over the typed name.

EDUARDO TOPEÑO, JR.  
Administrative Assistant to the  
County Clerk

/ds